Suggested Remarks Jon D. Lindborg, USAID Mission Director For the

Equipment Turnover/Launch of Integrated Tax System Dumaguete Revenue District Office, Dumaguete City January 24, 2008

Atty. Gregorio Cabanta, Deputy Commissioner for Legal and Inspection Group;

Ms. Lucita Rodriguez, Deputy Commissioner for Tax Reform Administration;

Director Rodita Galanto, Regional Director for Bacolod Region;

Mr. Arturo Acala, Revenue District Officer;

Officers and Staff of the BIR National Office and Regional Data Center;

Officers of the BIR Regional Office and Dumaguete RDO;

Distinguished Guests;

Ladies and Gentlemen:

Good morning!

Thank you for inviting me to be part of your important celebration today.

I note with pleasure that you have laid another important building block

for a system that will enable the Philippines to more efficiently collect

resources for national development. I note with appreciation, too, that this system will help reduce the leakage of local resources for development by way of taxes that has slowed the economic progress of this great country.

The Integrated Taxpayer System we are launching here today, through the Nationwide Rollout of Computerized Systems (NRCS) program, will enable the Bureau of Internal Revenue to put together a more comprehensive data base of taxpayer information. The system will also enable the BIR to more efficiently manage its operations, while making its transactions more transparent. More transparency, of course, prevents leakages and builds taxpayer confidence.

I am pleased to report that the Threshold Program continues to make good headway in anti-corruption, tax evasion and anti-smuggling. Just to name a few examples, during the last quarter of 2007, twenty one new corruption and anti-smuggling cases were filed by the Revenue Integrity

Protection Services (RIPS) at the DOF, and the Run-After-The Smugglers Program (RATS) of the Bureau of Customs. During the same period, seven additional high level officials were suspended by the Office of the Ombudsman for graft and corruption, and the Office maintained its 35% conviction rate during the quarter. I am also pleased to announce that for the BIR, the contract for the Human Resource Information System (HRIS) amounting to \$1.5 Million which will automate the personnel and management information systems of the entire organization has now been awarded.

The U.S. Government, through the USAID and the Millennium Challenge Corporation (MCC), takes pride in being a partner with the Bureau of Internal Revenue in undertaking a courageous effort such as this. We will continue to support the program with the objective of computerizing all of BIR's Revenue District Offices before the end of this year. We will also work together to explore other ways of strengthening this support.

Once again, congratulations to all of you for continuing your efforts to increase revenue collection efficiency and improve transparency, a great contribution to Philippine National Development.

Thank you.